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SUBJECT: UGANDA: LAKE SECURITY MEASURES LACKING IN OIL RICH REGION

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1. (SBU) SUMMARY: Ambassador Browning and Combined Joint Task Force - Horn of Africa (CJTF-HOA) Rear Admiral Greene traveled to Lake Albert in western Uganda on March 4 to follow up on a request from the Ugandan military to help increase its lake security capabilities. Lake Albert is divided in half by the Ugandan-Congolese border, and its shores on both sides run along an oil rich region known as the Albertine Rift, where the bulk of oil exploration is occurring. John Morley of Tullow Oil, one of the four exploration companies operating in western Uganda, said that as the oil activity on Lake Albert increased, a security presence would be vital. He offered potential Tullow cooperation toward this end. Despite the January agreement between Ugandan and Congolese Energy Ministry officials (Ref A), several clashes on Lake Albert between oil companies and entities from the Democratic Republic of Congo (DRC) (Ref B) demonstrate that oil production has increased local tensions and exacerbated cross-border hostilities. END SUMMARY.

2. (SBU) Following two deadly incidents on Lake Albert in 2007, the Uganda People's Defense Force (UPDF) requested USG assistance with training and equipping a lake security force which could enforce Uganda's territorial waters, protect Uganda's oil assets, and reduce violent incidents. Twenty percent of Uganda's territory is water and a large portion of the border is coastline. The country currently has no effective means to provide security on Lakes Victoria, Albert, Edward, George and Kyoga. (Note: In August 2007, Congolese Armed Forces (FARDC) approached a Heritage Oil exploration barge operating near the Ugandan-Congolese border and claimed the barge had strayed into Congolese waters. The ensuing firefight resulted in the death of one British Heritage employee. In September 2007, the United Nations Mission to Congo (MONUC) took a Heritage seismic vessel into custody and escorted it to a port in the DRC. Heritage called on a response boat, which MONUC ordered to turn around. On the way back, it fired on a passenger ferry killing five Congolese civilians and two Congolese soldiers. End note.)

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An Increased Need for Lake Security  
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3. (U) Ambassador Browning and CJTF-HOA Rear Admiral Greene met with representatives from Tullow Oil and the Ugandan People's Defense Force (UPDF), as well as local leaders (reported septel) in Hoima district on March 4. The visit took place in Block Two of Uganda's oil exploration concessions, which borders the northern two thirds of Lake Albert and is licensed to Tullow Oil.

4. (SBU) Tullow Oil Development Director John Morley, Lake Albert Safari Lodge Owner Bruce Martin, and Community Liaison Richard

Angubo discussed the need for security on Lake Albert with Ambassador Browning and Rear Admiral Greene. The Ambassador noted that oil exploration and production would raise the profile of the area, which could lead to increased incidences of violence between Ugandan locals and security forces and their Congolese counterparts. Morley echoed the views of Ugandan Brigadier General Emmanuel Burundi, who said that the Ugandan military lacked a clear policy and physical infrastructure for security on the lake. The Ugandan military has only six to eight boats used for patrolling Lake Albert and some "loosely-trained" soldiers. Morley stressed that any attempts to provide training and infrastructure for Lake Albert security would require a "ground zero" approach.

15. (SBU) As oil exploration expands on Lake Albert, activity on the lake would increase significantly, Morley stressed. Already, there were boats testing for oil among what used to be an area frequented only by wooden fishing boats. By the end of the year, Morley said that Tullow would have one oil rig on the lake. Tullow employs between 100 and 200 local residents out of a total population of around 45,000, but even this minor infusion of economic activity has a considerable impact on the area. Morley expressed confidence that the oil companies would continue to uncover significant oil finds in both Ugandan and Congolese reserves. This would raise the stakes in terms of land tenure and property rights, access to and control over natural resources, and food security for communities on both sides of Lake Albert.

16. (SBU) The interlocutors agreed that an increased presence of Ugandan security forces patrolling the lake would incense the Congolese. A joint-patrol mechanism would be the best way to contribute to a strong cross-border relationship. However, Morley noted that the "security chaps" operating on the Congolese side were not necessarily linked to the Government of the DRC (GDRC). Meetings between Ugandan and Congolese soldiers were starting to take place, according to Morley. A meeting had just occurred in Pakwach, northwestern Uganda, the previous week, and the Chiefs of Defense met in January in DRC. Morley suggested that if the lake were physically demarcated, it would prevent both sides from accusing the other of stealing the oil. (Note: Congolese and Ugandan energy officials agreed to physically demarcate the lake

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border with buoys at an inter-ministerial meeting in January. End note.)

17. (SBU) Butiaba, located toward the northern end of Lake Albert, would be the best location for a Ugandan military base and boat launch, Morley said. Butiaba has a natural bay and has been the chief port of Lake Albert for centuries. This was the original launch point of a five-star cruise ship, known as the SS Robert Coryndon, that toured the lake and made stops in Ugandan and Congolese ports. When floods raised the water level several meters in the mid-1960s, the cruise ship was deserted and the entire infrastructure at Butiaba was lost to water damage and looting.

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Tullow's Good Works Could Include Help for UPDF  
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18. (SBU) Potential funding for enhanced Ugandan military water-borne capabilities was also discussed. Morley explained that as a private company, Tullow could not participate in training UPDF forces. However, he could foresee the company providing infrastructure such as access roads and piers on and around Lake Albert that could be used by the military. Morley explained that Tullow provided about USD 250,000 per year for infrastructure and support for environmental, social, educational, and health-related programs in the area. To date, the company has built three primary schools, one maternity health clinic, and one honey collection center; and has paid for teachers, health care workers, medicines and bee hives.

19. (SBU) In terms of security-related projects, Tullow funded a Lake Rescue center in one of the fishing villages, Kaiso, located in its concession. The head of the Lake Rescue Center claimed that it saved the lives of almost 70 fishermen, many of whom were Congolese,

last year. The initiative is locally-driven and staffed by community volunteers, primarily women. Tullow supported the construction of a new building, as well as a motor boat and other supplies. It also trained local community members to make personal flotation devices.

¶10. (SBU) Tullow claims to pride itself on being part of a new generation of oil companies. According to Morley, the company allocates significant resources for community outreach, and refuses to pay bribes. Tullow had signed an agreement for a 48 percent share of a concession in eastern DRC, on the other side of Lake Albert. However, Morley said that Tullow would most likely lose out to another company that had offered one of the Congolese energy ministers a USD five million bribe. A Congolese Government official called Morley to ask him to match the bribe. In response, Tullow promised to put USD five million worth of health and education projects into the region where they would be operating, but the Minister did not accept the offer.

¶11. (SBU) Comment: A lack of information from the governments of Uganda and DRC about oil policy and bilateral arrangements to ease tensions has created a vacuum that is easily filled by rumors and suspicions. As oil exploration turns into production, local expectations of development benefits will continue to grow. Over time, unmet community expectations combined with increased pressure on resources from in-migration is likely to feed into tensions within and between communities on both sides of the lake. Already, the region has experienced several incidences of violent clashes on Lake Albert between the oil companies and armed units or civilians. Local frictions from several decades of conflict between Uganda and Congo could play into increased instability in the area.

¶12. (SBU) Comment continued: DAO has requested an assessment team in the third quarter of this year to provide the Ugandan military with an organizational, doctrinal, training, and equipment needs assessment for a future lake security force. Post looks forward to hearing Embassy Kinshasa's views on this initiative and on potential FARDC cooperation.

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